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C O N F I D E N T I A L SECTION 01 OF 03 TAIPEI 002151

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TAGS: [PGOV](#) [PREL](#) [TW](#)

SUBJECT: KMT CANDIDATE MA YING-JEOU ON PRESIDENTIAL  
CAMPAIGN AND UN REFERENDUM

Classified By: AIT Director Stephen M. Young,  
Reasons: 1.4 (b/d)

¶1. (C) Summary: KMT presidential candidate Ma Ying-jeou told the Director on September 20 that the KMT's UN referendum was politically necessary to counter the DPP's referendum proposal. KMT flexibility on nomenclature reflected the fact that Taiwan had joined several international organizations under names other than "Taiwan" or the "ROC." Ma was positive about the results of his home-stay program in central and southern Taiwan, which had enabled him to understand the concerns of ordinary Taiwanese and had boosted his polling numbers in the region. Acknowledging that DPP candidate Frank Hsieh is also relatively moderate, Ma suggested that the campaign of his rival was being dragged down by the Deep Green and by President Chen, who is trying to avoid becoming a lame duck. End Summary.

¶2. (C) The Director met with KMT candidate Ma Ying-jeou on September 20 to discuss bilateral issues and the Taiwan presidential campaign. Ma was accompanied by KMT legislator Su Chi. The Director briefed Ma on his recent consultations in Washington, stressing the need for our two sides to look to the future and to manage the fallout in the relationship damaged by President Chen's UN referendum. Despite current problems, the U.S. needs to work with the Chen administration in areas where we can cooperate, such as resolving the pork ractopamine issue. The Director reiterated the USG's strong commitment to work with Taiwan's next president on shoring up U.S.-Taiwan relations across the board. He also reiterated our neutrality in Taiwan's democratic process.

UN Referendum

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¶3. (C) Ma asserted that the two competing UN rallies held by the DPP and KMT on September 15 had each drawn about 50,000 participants. DPP claims of 500,000 participants in their rally were highly exaggerated. According to Ma, one needs to apply an "exaggeration index" to interpreting crowd estimates put out by the DPP and KMT. The DPP generally overestimates its demonstrators by a factor of five, while KMT estimates double the actual size of its supporters. Ma cited his experience as mayor of Taipei, when both the DPP and the anti-Chen "Red Shirt" movement had exaggerated numbers of

demonstrators. This had led the Red Shirt movement to misjudge the degree of public support they enjoyed, Ma added.

14. (C) Ma said the KMT UN referendum proposal was necessary to counter the DPP's proposal or else the KMT would have faced a tough campaign. The KMT recognizes the need for Taiwan to participate in the UN, a goal universally supported in Taiwan. So far, the pan-Green has not strongly criticized the KMT proposal, which takes a flexible approach to nomenclature, recognizing that Taiwan has succeeded in joining APEC and WTO under names other than "ROC" or "Taiwan."

15. (C) Ma said he did not expect the DPP to withdraw its UN referendum proposal, which he attributed to President Chen's desire to avoid becoming a lame duck. Although this will probably hurt DPP presidential candidate Frank Hsieh's campaign, Chen does not care, Ma suggested. President Chen's "loud voice" is causing problems for Hsieh, who has complained to the media. However, Taiwan is a young democracy, and Lee Teng-hui has provided an example of a former leader trying to hold on to political power. President Chen would have problems if he wanted to continue trying to lead the DPP after a loss in the 2008 presidential election, Ma suggested, because Hsieh and others would blame Chen for the defeat. DPP Chairman Yu Shyi-kun's "normal country resolution," which has been criticized within his party, is also dragging down Frank Hsieh's campaign, Ma noted. However, Yu believes that his duty as DPP chairman is to promote the fundamental values of his party.

Presidential Campaign  
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16. (C) Ma spoke positively about the results of his "home-stay" program in central and southern Taiwan, noting that he had stayed in more than 30 homes. Family members and large numbers of neighbors had come each evening to talk with him, which had been a very touching experience, Ma said. The home-stay program had boosted his polling numbers in central and southern Taiwan, Ma noted, though his island-wide polling numbers remained the same.

17. (C) Ma was enthusiastic as he discussed experiences talking to a group of farmers in southern Pingtung County. After trying out an ox plow, Ma had asked one older farmer whether he would be interested in renting his land to a young professional farmer who could farm more efficiently in a larger operation. Ma noted to the Director that most of the farm associations he had talked with agreed with this idea. The farmer he talked to in Pingtung was also positive, Ma noted, but someone else had expressed concern about whether she would be able to get her land back after leasing it out for twenty years. This was a real concern, Ma told the Director, which perhaps could be resolved by government guarantees. Taiwan needs larger farms to be competitive, Ma suggested.

18. (C) If the government is willing, Ma said, direct cross-Strait air links could be developed quickly because airline associations have already held detailed discussions with their mainland counterparts. With government go-ahead, only a couple of months would be needed to move from the current holiday charter flights to weekend charter flights and then another three months to move to daily charter flights. Then, the two sides could work out an air agreement within a couple of months, though legislative requirements might cause some delay. Currently, Ma said, industry representatives are very frustrated because of the government's orders to slow the process.

19. (C) In response to the Director's question, Ma said that weekend charter flights and subsequent arrangements should be open to U.S. and other foreign nationals as well as Taiwan

and PRC citizens. However, Beijing is unlikely to allow foreign carriers to participate in the direct flight links. Ma acknowledged that Frank Hsieh also supports expanding cross-Straits charter flights, but added that Hsieh does not talk much about the issue because he is unsure of reaction within his own party. According to Ma, this reflects an ongoing struggle within the DPP over political line, a problem he claimed the KMT does not have.

¶10. (C) The presidential race will be very tough, Ma observed, especially now that Su Tseng-chang is the DPP's vice presidential candidate. Su strengthens the DPP ticket because he can draw support from Taiwan's most populous district, Taipei County, where he previously served as magistrate. Ma said he expects the election to be close and is prepared for an "uphill fight." The race is much closer than indicated by media polls, which are not properly weighted, Ma observed. Asked about KMT overconfidence in 2000 and 2004, Ma said he was running a different type of campaign, unprecedented in Taiwan history. Nonetheless, Taiwan identity and Taiwan independence are clearly distinct. Taiwan and the ROC are bound together closely and cannot be differentiated. While it is acceptable to include the name "Taiwan" together with "ROC" on passports and in international agreements, it is unacceptable to say one is running for president of the "Republic of Taiwan," as Frank Hsieh does (sic). Although he has received some criticism from the Deep Blue for his emphasis on Taiwan, Ma said, they will support him because his policies are compatible with their ideas.

¶11. (C) If the KMT wins the LY elections and the DPP urges voters to elect Frank Hsieh as president to maintain political balance, Ma said he would point to the gridlock of divided government over the last eight years in asking voters to choose him. In the unlikely event the DPP wins the LY elections and he becomes president, Ma suggested he would be able to handle a divided government because he would practice French-style cohabitation rather than political confrontation.

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¶12. (C) Ma predicted he could win swing voters, who want a better economy. Although Frank Hsieh is moderate, he has a "noisy" party behind him, especially the 20 percent Deep Green, who have disproportionate power. Every Green politician has to listen to the Deep Green, Ma observed, adding that he does not have this problem with the Deep Blue, with whom he maintains constant contact. Ma also said that he has regular contact with Honorary Chairman Lien Chan and that Lien "understands" his position.

¶13. (C) Ma noted that Beijing was unhappy with the KMT's UN referendum, but added that sooner or later the mainland would have to make a choice between the "ROC" or the "Republic of Taiwan." In the future, the mainland will need to adjust its policies on security, economics, and international space, or it will have problems with Taiwan. If he is president, Ma suggested, the mainland may show more flexibility because it will not want the DPP to return to power. The Director noted the importance for our relationship of the upcoming period during which both Taiwan and the U.S. will elect new presidents. Ma stressed his familiar theme, that he would be a peacemaker, not a troublemaker, if elected president.

Comment  
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¶14. (C) Ma seemed relaxed and upbeat compared to our previous meetings, reflecting both his acquittal on corruption charges and the fact that his presidential campaign has been going more smoothly in recent weeks.  
YOUNG